newsplan

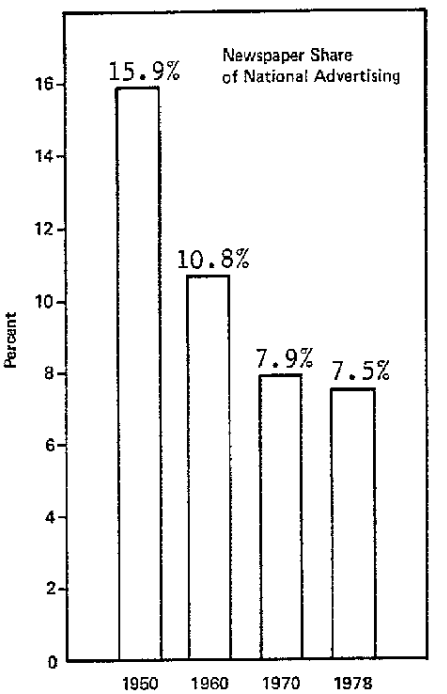
Discounts for Continuity

newspaper file

October 26, 1979

NEWSPLAN is THE Plan. National advertising in newspapers continues to peak each month. In August, 1979 national newspaper revenues were 25.2% higher than in 1978. First 8 months showed a gain of 16.2% over 1978 to a total of $1,297 revenue.

This means that we have reversed the trend of the last thirty years. In 1950 the newspaper share of national advertising was 15.9%. In 1960, the figure had declined to 10.8%, by 1970 it was 7.9% and by 1978 it had dropped to 7.5%. Newspapers are leading all major media in gains this year.



NEWSPAPER PARTICIPANT LIST AS OF 10/15/79

	Number of Papers	Daily Circ. (000)
1. From flat rate to a Newsplan discount.....	815	23,783
2. Newsplan discount higher than SRDS.....	34	9,113
3. Newsplan discount the same as SRDS.....	60	13,616
Total	909	46,512

75.2% of total daily circulation

* * *

All NEWSPLAN meetings scheduled now completed. Total Attendance: 933.

* * *

Total presentations (slides, scripts and take-away brochures) distributed for sales use: 330 sets.

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CAN DO program premiered "ON-LINE" for Chicago agencies October 16 and 17. Other cities to follow.

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Source: https://www.industrydocuments.ucsf.edu/docs/ygvn0004

THE OCTOBER 8TH ISSUE OF AD AGE IN ITS SECTION TW

Here are excerpts from Herbert Zeltner's panel:

Herbert Zeltner, Group Vice President, Crain Communications

"Network television costs will rise most sharply - from a low of 9% to as high as 18% or 19% - depending on daypart. (Prime time and late night appear to be the sectors most affected.)

"Spot TV comes in at a slightly lower level, with average costs for market-by-market television expected to go up anywhere in the 9% to 15% range - depending on market tightness and daypart.

"A remarkably close consensus develops for magazine rate increases pegged at 7% to 9% and radio and r.o.p. newspapers somewhat lower - at 5% to 7%.

"The big news in newspapers on the national advertising scene is the introduction and rapid acceptance of Newsplan, a significant volume discount offered by a growing list of publishers. Without exception these top agency media directors enthusiastically applaud this development. They feel that if more and more newspapers adopt it and it offers advertisers maximum flexibility in application, it may well result in important volume increases from national advertisers, if not in 1980, then sometime soon after that."

Ken Lane, Senior VP-Media Service, Leo Burnett Co., Chicago

"...great significance for national advertisers in a new development in newspaper selling - Newsplan. It should serve eventually to make national advertisers and their agencies more deliberate in planning their newspaper activity in advance to take advantage of announced discounts."

At many NEWSPLAN meetings, clients, agencies and newspapers ask what are the average discounts for all participating newspapers? The latest computer run shows the following:

NEWSPLAN PAGE LEVELS	AVERAGE DAILY	DISCOUNTS SUNDAY
6	8.13	8.08
13	10.85	10.57
26	13.79	13.20
52	17.77	16.89

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Ad Age October 8th estimates newspaper CPM's to increase 5 to 7%. See Herb Zeltner's estimates above.

Discounts for NEWSPLAN participation by an advertiser at only 6-page level more than offset estimated rate increases expected in 1980. Newspapers through NEWSPLAN is THE BUY FOR 1980.

Source: https://www.industrydocuments.ucsf.edu/docs/ygvn0004

) REVIEWED WHY "MEDIA EXECUTIVES ARE BULLISH ON 1980."

James Surmanek, Senior VP-Media Director, Ogilvy & Mather, Chicago

"I see significance in the further development of Newsplan next year and beyond...more and more newspapers will adopt the program, making the medium more useful and competitive to national advertisers and their agencies."

Madeline Nagel, VP-Media Director, Foote, Cone & Belding, New York

"I believe forces are moving into place for big changes in the category beyond next year...strongly in favor of Newsplan and feel it is simply the beginning of actions by the newspaper industry toward the equivalent of an 'unwired network in print.'"

Allen Banks, Senior VP-Media Director, Dancer-Fitzgerald-Sample, New York

"Newsplan is a most encouraging sign. If this new discount approach becomes more commonly available and better attuned to national advertiser needs, it might be the most significant development in recent history in encouraging major new volume from this sector."

Joseph W. Ostrow, Executive VP - Director of Communication Services, Young & Rubicam, New York

"I strongly support the new national discount moves in the newspaper field, particularly maximum unit flexibility. I view this offering as the start of moves which may alter the relationship between newspapers and national advertisers, making the medium more a sustaining rather than a sporadic promotion device."

FACTS AND COMMENTS

FACT: NBC's contract for 1980 summer Olympics: $87,000,000

Source: The New York Times, 9/27/79

FACT: ABC's contract for 1984 summer Olympics: $225,000,000 plus $100,000,000 promotion and other expenditures. Total: $325,000,000.

Source: The New York Times, 9/27/79

FACT: NBC's announced sales price/minute 1980 Olympics is $150,000.

COMMENT: Does this mean ABC's sales price/minute in 1984 will be in the range of $450,000?

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Source: https://www.industrydocuments.ucsf.edu/docs/ygvn0004

Listed below are 42 National Advertisers using NEWSPLAN Contracts in one or more newspapers:

American Airlines
American Tobacco
AMOCO Oil Company
Andersons
Ashland Coins
Brown-Forman
Brown & Williamson
Busch Gardens
C & P Telephone Company
Central Illinois Oldsmobile Dealer Association
Chrysler
Chevron
Continental Airlines
Convenient Food Mart
Delta Airlines
Eastern Airlines
Eastern Steamship
Ford Motor Company
Geico
General Foods
General Motors
General Telephone of Illinois
Hiram Walker Distillers
Lever Brothers
Liggett Group
Thomas J. Lipton
Lorillard Corp.
Mobil Oil Company
National Airlines
Nestle Company
Newspaper Co-Op Couponing Corp.
Northern Illinois Gas Company
Piedmont Airlines
Philip Morris
Procter & Gamble
Republic Airlines
R. J. Reynolds Tobacco Company
Seagrams
Sitmar Cruises
United Airlines
Vepco
Wintergreen

So all newspapers can be aware of accounts using NEWSPLAN, please send names of any using a NEWSPLAN program with your paper not shown on the list above. We'll keep all sales groups and newspapers advised.

Sincerely yours,

Maurice J. Buchart, Jr.
Chairman, NEWSPLAN Sales Committee
General Manager, Courier-Journal & Louisville Times Company

Bob Lambert
President, N.A.S.A.

Mac Morris
N.A.B.

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Newspaper Advertising Bureau, Inc. 485 Lexington Avenue, New York, New York 10017 (212) 557-1800

Source: https://www.industrydocuments.ucsf.edu/docs/ygvn0004